



12 November 2019

Professor Geoffrey Dobb
President, Western Australia Branch
Australian Salaried Medical Officers Federation

Dear Professor Dobb

Re: – Australian Salaried Medical Officers Federation, Western Australia Branch - financial report for year ending 31 December 2018 (FR2018/350)

I refer to the financial report of the Western Australia Branch of the Australian Salaried Medical Officers Federation. The documents were initially lodged with the Registered Organisations Commission (**ROC**) on 9 July 2019. A revised version of the report which included the expenditure report required by section 255(2A) report was received today.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note that the financial report for the year ending 30 June 2020 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist you when you next prepare a financial report.

Auditor's statement – to be signed and dated

The auditor's statement included with the original version of the report lodged on 9 July 2019 was unsigned. The Australian Auditing Standards ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 47, requires the auditor's statement to be signed. Section 257(8) and 257(9) of the RO Act require that the form and content of the auditor's statement be in accordance with Australian Auditing Standards, and that the report is dated as at the date the auditor signs it. In addition, the auditor's statement must be signed and dated before the reports are circulated to members.¹

I note and acknowledge that the auditor's statement provided with the revised version of the report lodged today was signed and dated 29 October 2019, before the revised report was uploaded to the members' website on 11 November 2019.

Designated officer's certificate – to be signed and dated after events

Section 268 of the RO Act requires the certificate by the designated officer to certify that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

The certificate attached to the original version of the report lodged on 9 July 2019 was signed and dated on 20 May 2019 prior to the events it purported to certify, namely, provision of the full report to members on 21 May 2019, and presentation under section 266 on 17 June 2019. As the designated

¹ This is implicit in the requirement of section 265(1) to provide a full report including the auditor's report.

officer's certificate must certify that the events have occurred, please ensure that in future years the designated officer's certificate is signed after these events.

I note and acknowledge that the designated officer's certificate attached to the revised report lodged today was signed and dated 11 November 2019 after the events it certified.

Documents must be lodged with ROC within 14 days after presentation²

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after it is presented to the general meeting of members referred to in section 266.

The designated officer's certificate attached to the original version of the report lodged on 9 July 2019 indicated that the full report would be presented to a general meeting on 17 June 2019. If this was correct, and presentation to the general meeting had indeed occurred on 17 June, the original documents should have been lodged with the ROC by 1 July 2019.

In the alternative, if this date is correct, the organisation/branch should have applied to the Commissioner for an extension of time to allow a longer period to lodge the documents. Please note that applications for extensions of time must be made prior to the expiry of the relevant prescribed period.

Audit scope to include subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22.

Please note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report was included in the revised version of the report received today but the auditor's statement did not include a reference to it. Next year's auditor's statement must include reference to the subsection 255(2A) report.

Nil activity disclosures

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an officer's declaration statement. The financial statements and notes included all relevant nil activity disclosures not otherwise reported, except the following:

- RG12 - acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- RG16 – have liabilities for employee benefits for office-holders or other employees³
- RG20 - make a payment to a former related party of the reporting unit.

Reporting Requirements

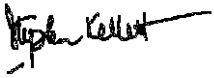
The ROC website provides several factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

² Note that presentation of a full report to a general meeting for the purposes of section 266 is not the same as the initial approval by resolution of a general purpose financial report by the committee of management meeting as recorded in the committee of management statement. The 14 day time frame applies to the presentation meeting, not to the committee's approval meeting.

³ It is noted that the Branch does not have employees but this liability guideline is separate from expense and the nil activity should be explicitly stated, consistent with other nil activity disclosures.

If you have any questions about the above or the reporting requirements, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN
AUSTRALIA BRANCH**

s268 of *Fair Work (Registered Organisations) Act 2009* ('RO Act')

Designated Officer's Certificate

I, Professor G Dobb, being the President of the Australian Salaried Medical Officers Federation, Western Australia Branch, certify:

- that the documents lodged on 31 October 2019 are a copy of the revised full report for ASMOWFA for the period ended 31 December 2018 referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and;
- the revised general purpose financial report (including the expenditure report required by s255(2A) of the RO Act) was approved by the committee of management on 21 October 2019; and
- that the revised full report was provided to the members of ASMOWFA on 11 November 2019.

A handwritten signature in black ink, appearing to be 'G Dobb', written over a horizontal line.

Professor G Dobb

President

11 November 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN
AUSTRALIA BRANCH**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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Independent Auditor's Report

To the Members of Australian Salaries Medical Officers' Federation Western Australian Branch

Report on the audit of the financial report

Opinion

We have audited the financial report of Australian Salaries Medical Officers' Federation Western Australian Branch (the Federation), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Salaries Medical Officers' Federation Western Australian Branch as at 31 December 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a the Australian Accounting Standards; and
- b any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Federation is appropriate.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Federation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of committee of management for the financial report

The Committee of Management of the Federation is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *RO Act*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Federation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Federation audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

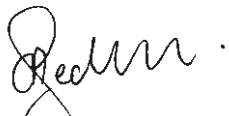
We declare that Carina Becker is an approved auditor, a member of Chartered Accountants Australia and New Zealand and holds a current Public Practice Certificate.

Opinion on the recovery of wages activity financial report

The Committee of Management Statement reflects that Federation has not undertaken any recovery of wages activity during the reporting period ended 31 December 2018. As such, no opinion is provided in relation to recovery of wages activity.



Grant Thornton Audit Pty Ltd
Chartered Accountants



C A Becker
Partner – Audit & Assurance Services
Registration number (as registered by the RO Commissioner under the RO Act): AA2018/21

Perth, 29 October 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH**

**EXPENDITURE REPORT UNDER SUBSECTION 255(2A) FOR THE YEAR ENDED 31
DECEMBER 2018**

The Committee of Management presents the expenditure report as required under the subsection 255(2A) on the Reporting Unit for the year ended 31 December 2018

Categories of expenditures	2018	2017
	\$	\$
Remuneration and other employment-related cost and expenses employees	-	-
Advertising	-	-
Operating Cost	5,567	13,809
Donations to political parties	-	-
Legal Costs	-	-



Professor G Dobb

President

Dated: 21 October 2019

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA BRANCH

Operating Report for the period ended 31 December 2018

The committee presents its report of the Australian Salaried Medical Officers Federation – WESTERN AUSTRALIA BRANCH (ASMOFWA) for the financial year ended 31 December 2018.

Review of Principal Activities

1. Promote and protect the broad interests of salaried medical practitioners.
2. Advocate the provision and development of Quality Health Services.
3. Providing a national association representative of and capable of effectively safeguarding and advancing the interests and welfare of the members.
4. Promote peaceful settlement of industrial disputes to which members of the Federation may be party.
5. To maintain registration as an organization under the Fair Work (RO) Act 2009.
6. To preserve to members the right of submission to arbitration of claims or disputes in relation to wages and conditions of employment.

No significant change in the nature of these activities occurred during the year.

The cashflow surplus of the federation for the financial year amounts to \$9,480. There were no significant changes to the financial affairs during the year.

Details of rights of members to resign:

A member of the Federation may resign from membership by written notice addressed and delivered to the Branch Secretary giving notice in accordance with ASMOFWA (Federal) Rule 11.

Details of superannuation trustee as at 31 December 2018: None

Number of members as at 31 December 2018: 962 members

The Federation has no employees. All work performed on behalf of the Federation is undertaken by persons who are employees of the Australian Medical Association (WA) Inc. who operate the secretariat or elected officers of the Federation.

Committee of Management members and period positions held during the financial year:

Name of Office	Name of Office Holder	Postal Address of Office Holder	Period Held
<i>President</i>	<i>Prof Geoffrey John Dobb</i>	<i>14 Stirling Hwy NEDLANDS WA 6009.</i>	<i>01.01.2018 to 31.12.2018</i>
<i>Vice President</i>	<i>Dr David McCoubrie</i>	<i>As above</i>	<i>29.09.2018 to 31.12.2018</i>
<i>Vice President</i>	<i>Ass Prof David Mountain</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Branch Secretary</i>	<i>Dr David McCoubrie</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Branch Secretary</i>	<i>Ass Prof David Mountain</i>	<i>As above</i>	<i>29.09.2018 to 31.12.2018</i>
<i>Branch Assistant Secretary/Treasurer</i>	<i>Dr Ian Jenkins</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Branch Assistant Secretary/Treasurer</i>	<i>Dr Katherine Langdon</i>	<i>As above</i>	<i>29.09.2017 to 31.12.2018</i>
<i>Committee of Management Member</i>	<i>Dr Janet Hornbuckle</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Committee of Management Member</i>	<i>Dr Katherine Langdon</i>	<i>As above</i>	<i>01.01.2017 to 29.09.2018</i>
<i>Committee of Management Member</i>	<i>Dr Sarah Hodson</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Committee of Management Member</i>	<i>Dr Johan Rosman</i>	<i>As above</i>	<i>01.01.2018 to 31.12.2018</i>
<i>Committee of Management Member</i>	<i>Dr Tony Ryan</i>	<i>As above</i>	<i>01.01.2018 to 31.12.2018</i>
<i>Committee of Management Member</i>	<i>Dr Paul Woods</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>
<i>Committee of Management Member</i>	<i>Dr Aris Siafarikas</i>	<i>As above</i>	<i>01.01.2018 to 29.09.2018</i>

Signed in accordance with a resolution of the Committee of Management

A handwritten signature in black ink, appearing to read 'DM', written over a horizontal dotted line. The signature is fluid and cursive.

Ass Prof David Mountain
Branch Secretary

Dated: 20th of May 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

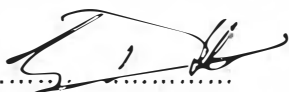
for the period ended 31 December 2018

On the 21st of October 2019 the Committee of Management of the Australian Salaried Medical Officers Federation – Western Australia Branch (ASMOFWA) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2018:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of ASMOFWA for the financial year to which they relate;
- (d) there are reasonable grounds to believe that ASMOFWA will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the Australian Salaried Medical Officers Federation including the rules concerning branches of that Federation; and
 - (ii) the financial affairs of ASMOFWA have been managed in accordance with the rules of the Australian Salaried Medical Officers Federation including the rules concerning the branches of that Federation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) as the organisation consists of 2 or more reporting units, the financial records of the ASMOFWA have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the Australian Salaried Medical Officers Federation; and
 - (v) where information has been sought in any request by a member of ASMOFWA or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) In relation to recovery of wages activity
 - (i) there has been no recovery of wages activity for the financial year

This declaration is made in accordance with a resolution of the Committee of Management.



Professor G Dobb

Dated: 21 October 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the period ended 31 December 2018

	Notes	2018 \$	2017 \$
Revenue			
Membership subscription		4,810	4,730
Capitation fees		-	-
Levies		-	-
Total revenue		<u>4,810</u>	<u>4,730</u>
Other Income			
Grants and/or donations	3A	7,007	15,249
Total other income		<u>7,007</u>	<u>15,249</u>
Total income		<u>11,817</u>	<u>19,979</u>
Expenses			
Employee expenses		-	-
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4A	5,567	13,809
Grants or donations		-	-
Legal costs		-	-
Audit fees	9	1,500	1,500
Total expenses		<u>7,067</u>	<u>15,309</u>
Profit / (loss) for the year		<u>4,750</u>	<u>4,670</u>
Total comprehensive income / (loss) for the year		<u>4,750</u>	<u>4,670</u>

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH
STATEMENT OF FINANCIAL POSITION
as at 31 December 2018**

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	11,445	1,965
Receivable from another reporting unit		-	-
Other receivables		-	4,730
Total current assets		11,445	6,695
Total assets		11,445	6,695
LIABILITIES			
Current Liabilities			
Trade payables	6A	-	-
Other payables	6B	-	-
Employee provisions		-	-
Total current liabilities		-	-
Non-Current Liabilities			
Employee provisions		-	-
Total non-current liabilities		-	-
Total liabilities		-	-
Net assets		11,445	6,695
EQUITY			
Retained earnings		11,445	6,695
Total equity		11,445	6,695

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH**

STATEMENT OF CHANGES IN EQUITY

for the period ended 31 December 2018

	General funds	Retained earnings	Total equity
	\$	\$	\$
Balance as at 1 January 2017	-	2,025	2,025
Profit for the year	-	4,670	4,670
Closing balance as at 31 December 2017	-	6,695	6,695
Profit for the year	-	4,750	4,750
Closing balance as at 31 December 2018	-	11,445	11,445

The above statement should be read in conjunction with the notes.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION – WESTERN AUSTRALIA
BRANCH**

STATEMENT OF CASH FLOWS

for the period ended 31 December 2018

		2018	2017
		\$	\$
	Notes		
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	7B	9,540	-
Cash used			
Suppliers		(60)	(60)
Payment to other reporting units/controlled entity(s)	7B	-	-
Net cash from (used by) operating activities	7A	9,480	(60)
		9,480	(60)
Net increase (decrease) in cash held		9,480	(60)
Cash and cash equivalents at the beginning of the reporting period		1,965	2,025
Cash and cash equivalents at the end of the reporting period	5A	11,445	1,965

The above statement should be read in conjunction with the notes.

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Note 13	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation – Western Australia Branch (ASMOWFA) is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

a. Income tax

ASMOWFA is exempt from income tax under Division 50, section 50.1 & 50.5 of the Income Tax Assessment Act 1997.

b. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

c. Revenue and other income

Revenue is received from the parent entity as an allocation of membership fees. Membership fees are recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).

d. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

e. Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Australian Salaried Medical Officers Federation – Western Australia Branch include:

AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the IASB of International Financial Reporting Standards Annual Improvements to IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2010–2012 Cycle:

- clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity)
- amend AASB 8 Operating Segments to explicitly require the disclosure of judgements made by management in applying the aggregation criteria

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2011–2013 Cycle clarify that an entity should assess whether an acquired property is an investment property under AASB 140 Investment Property and perform a separate assessment under AASB 3 Business Combinations to determine whether the acquisition of the investment property constitutes a business combination.

Part A of AASB 2014-1 is applicable to annual reporting periods beginning on or after 1 July 2014.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

1.6 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

1.7 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.8 Financial instruments

Financial assets and financial liabilities are recognised when a *reporting unit* entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.9 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or

- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.10 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.11 Taxation

Australian Salaried Medical Officers Federation – Western Australia Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.12 Fair value measurement

The Australian Salaried Medical Officers Federation – Western Australia Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Australian Salaried Medical Officers Federation– Western Australia Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Australian Salaried Medical Officers Federation– Western Australia Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Salaried Medical Officers Federation– Western Australia Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Salaried Medical Officers Federation– Western Australia Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.13 Going concern

The Australian Salaried Medical Officers Federation– Western Australia Branch is financially dependent upon the continued financial support of the Australian Medical Association (WA) Inc. The Committee of Management of the Federation considers the preparation of the financial report on a going concern basis remains appropriate due to the availability of on-going support from the Australian Medical Association (WA) Inc.

ASMOF WA's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

ASMOF WA has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Salaried Medical Officers Federation– Western Australia Branch

2018	2017
\$	\$

Note 3 Income

Note 3A: Grants or donations

Grants	-	-
Donations	7,007	15,249
Total grants or donations	7,007	15,249

Note 4 Expenses

Note 4A: Administration expenses

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – Via RO ACT or RO REGULATIONS	-	-
Other	5,567	13,809
Subtotal administration expense	5,567	13,809
Operating lease rentals:		
Minimum lease payments	-	-
Total administration expenses	5,567	13,809

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	11,445	1,965
Total cash and cash equivalents	11,445	1,965

Note 6 Current Liabilities

Note 6A: Trade payables

Payables to other reporting unit[s]	-	-
Total trade payables	-	-

Settlement is usually made within 30 days.

	2018	2017
	\$	\$
Note 6B: Other payables		
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Total other payables	<u>-</u>	<u>-</u>

Total other payables are expected to be settled in:

No more than 12 months	-	-
More than 12 months	-	-
Total other payables	<u>-</u>	<u>-</u>

Note 7 Cash Flow

Note 7A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	11,445	1,965
Balance sheet	11,445	1,965
Difference	<u>-</u>	<u>-</u>

Reconciliation of profit/loss to net cash from operating activities:

Profit / (loss) for the year	4,750	4,670
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Adjustments for non-cash items

Donations by AMA(WA) Inc.	(7,007)	(15,249)
Administrative expenses by AMA (WA) Inc.	7,007	15,249

Changes in assets/liabilities

Net cash from (used by) operating activities	<u>4,730</u>	<u>(4,730)</u>
	<u>9,480</u>	<u>(60)</u>

Note 7B: Cash flow information

Cash inflows	-	-
Total cash inflows	<u>-</u>	<u>-</u>

Cash outflows	-	-
Total cash outflows	<u>-</u>	<u>-</u>

Note 8 Related Party Disclosures

Persons holding positions as executive (Committee of Management) members during the year were:

Professor Geoff Dobb	President
Dr David McCoubrie	Vice-President
Ass Prof David Mountain	Branch Secretary
Dr Katherine Langdon	Assistant Branch Secretary/Treasurer

No remuneration was received by Officers or Executive members during the year.

Note 9 Remuneration of Auditors

Value of the services provided	2018	2017
	\$	\$
Financial statement audit services	1,500	1,500
Other services	-	-
Total remuneration of auditors	1,500	1,500

No other services were provided by the auditors of the financial statements.

Note 10 Financial Instruments

The entity's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the entity. The treasurer monitors the entity's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. Due to the limited activity of the entity and of the financial instruments held, the treasurer is solely responsible for monitoring and managing financial risk exposure.

The treasurers overall risk management strategy seeks to ensure that the entity meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Note 10A: Categories of Financial Instruments

	2018	2017
	\$	\$
Financial Assets		
Fair value through profit or loss:		
Cash and cash equivalents	11,445	1,965
Total	11,445	1,965
Carrying amount of financial assets	11,445	1,965

Note 10B: Credit Risk

No credit risk in the entity exists as total financial assets held are limited to cash at bank.

Note 10C: Market Risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows. At 31 December 2018, no financial assets or liabilities are exposed to interest rate risk.

(ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because changes in market prices of securities held.

Sensitivity analysis

No sensitivity analysis has been performed on interest rates and foreign exchange risk, as the entity is not exposed to interest rates and foreign currency fluctuations.

Note 11 Fair Value Measurement

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted markets bid prices.

	2018		2017	
	Net carrying value	Net fair value	Net carrying value	Net fair value
Financial assets	\$	\$	\$	\$
Cash and cash equivalents	11,445	11,445	1,965	1,965
Total financial assets	11,445	11,445	1,965	1,965

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts relating to annual leave, which is not considered a financial instrument.

Financial Instruments measured at fair value

No financial instruments recognised at fair value exist in the entity. No analysis has been performed.

2018	2017
\$	\$

Note 12: Administration of financial affairs by a third party¹

Name of entity providing service:

Australian Medical Association (WA) Inc

Terms and conditions: None

Nature of expenses/consultancy service:

Administrative Expenses

Detailed breakdown of revenues collected and/or expenses incurred

Revenue

Grants and/or donations

7,007	15,249
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Total revenue

7,007	15,249
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Expenses

Administration expenses

5,567	13,809
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Audit fees

1,500	1,500
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Total expenses

7,067	15,309
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Note 13: Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

¹ Refer to item 31 in the Reporting Guidelines.